

AR19



Cara

1976 Annual Report



Report to the Shareholders

RESULTS FOR THE YEAR

In the year ended March 31, 1976, sales increased to \$93,135,615, up 18.8%, and profits rose to \$2,558,933 or \$1.38 per share.

The improvement in profits was in the main due to a sustained strong demand for most company services throughout the year and resultant higher productivity derived from these operations. In particular, such factors as the up-grading of airline meal services by a number of airline customers, coupled with improved aircraft seat occupancy, better performance from such large urban restaurant complexes as Place Bonaventure in Montreal and Commerce Court in Toronto, and a continuing buoyant economy in the Western provinces, contributed significantly to this general improvement.

Although the new operations at Mirabel remained unprofitable during the last six-month period, the effect on consolidated earnings was not significant.

GROWTH

By the year-end we had completed the major project commitments announced previously. Total capital expenditures amounted to approximately \$5.5 million and included the new restaurant concession complex and flight kitchen at Mirabel, an extension to the Edmonton flight kitchen and new or improved restaurant facilities at Toronto, Regina and Saskatoon air terminals.

Our capital expenditures for the current year on our existing businesses should not exceed \$2.5 million, a substantial reduction from the previous year. There will be a sizeable expansion of the Vancouver flight kitchen, preliminary construction on the new flight kitchen at

Calgary International Airport to be completed by the fall of 1977, as well as major restaurant renovations and enlargements at both the Vancouver and Halifax air terminals. We have also installed gift shops in the new CN Tower, Toronto.

As recently announced, we have been successful in acquiring in excess of 90% of the outstanding shares of Winco Steak N' Burger Restaurants Limited. The consolidation of Winco's results from June 12, 1976 to March 31, 1977 with those of our own operations should increase our earnings per share for the fiscal year. Plans for additional Steak N' Burger outlets will be actively pursued as the year progresses.

On June 28, 1976 the Ministry of Transport advised that we had been awarded a ten-year contract for the food and beverage concession at Halifax International Airport commencing October 1, 1976. This concession, which has been operated by the company since 1961, will undergo major renovations over the next five years at an estimated cost of approximately \$760,000.

We are continuing to seek growth opportunities and have recently concluded a licence agreement with Foodcorp Limited to develop Swiss Chalet restaurants in the four Western provinces and the State of Washington, U.S.A.

OUTLOOK

Assuming a gradually improving economic climate in Canada and the Western Hemisphere, we are forecasting further growth in sales and profits for the current fiscal year. The summer months are traditionally our peak earning period and results this year should be enhanced by the Olympic events which, in particular, are expected to assist our new Mirabel operations. However, the disrup-

tion of air travel in Canada in June has materially affected results in our first quarter.

We believe it should be feasible over the next three years to achieve an average annual growth of about 15% in sales and profits from the existing Cara businesses. The Winco Steak N' Burger business should provide additional growth.

Following clarification of our position under the Anti-Inflation guidelines, a dividend of 20¢ per share was paid in December 1975. Our application to the Anti-Inflation Board to recognize our annual dividend rate as 40¢ per share has been declined and consequently, for the 12-month period ending October 13, 1976, our dividends may not exceed 30¢ per share. Your directors have accordingly declared on June 28, 1976 a dividend of 10¢ per share, payable on July 27, 1976.

We express appreciation to our customers for their continuing patronage and are grateful to our employees and executive staff for their loyalty and support during a challenging year.

J. Band *W. Sweet*

President

July 31, 1976

Financial Highlights	<u>1976</u>	<u>1975</u>
Sales	\$93,135,615	\$78,377,730
Net Profit	2,558,933	1,620,604*
% of Sales	2.7%	2.1%
Per Share	1.38	.88*
Cash Flow	5,386,519	3,737,030
Cash Flow Per Share	2.91	2.02
Dividends Per Share40	.30
Working Capital	3,530,222	4,552,758
Working Capital Ratio	1.34:1	1.48:1
Fixed Asset Additions	5,526,477	5,977,459
Total Assets	35,243,681	32,065,967
Long-Term Debt	7,679,539	7,790,653
Net Worth	14,927,147	13,104,885
Book Value Per Share	8.07	7.09

* Includes extraordinary item of \$150,000 or .08 per share.

Directors and Officers

Paul J. Phelan, *Chairman of the Board*
J. Boyd Matchett, *President*
Thompson M. Plewes, *Vice-President Finance*
Roger L. Beaulieu
John W. Burrows
Lawrence Hynes
Paul McLaughlin
R. E. Phelan
John G. Weir

Gunter Otto, *Vice-President Airline Services Division*
Daniel D. Phelan, *Vice-President Urban Restaurant/Inn Division*
John T. Argyris, *Vice-President Air Terminal Restaurant Division*
Alan A. McIsaac, *Vice-President Retail Stores Division*
Vincent C. Kennedy, *Director of Sales & Marketing Airline Services Division*
Walter G. Fraser, *Secretary-Treasurer*
S. Russell Knox, *Comptroller*

Head Office

55 York Street, Toronto, Ontario M5J 1S5

Transfer Agent

The Royal Trust Company
 Toronto, Montreal, Winnipeg, Vancouver

Auditors

Coopers & Lybrand, Toronto, Ontario

Programming Creativity into Company Computer

Imagination and innovation are not usually associated with the cold, impersonal world of the computer, but our financial planners and systems designers have been inspired to utilize the company's computer to its fullest capabilities by the diversity, complexity, geographical spread and sheer size and scope of the company's operations.

For instance, the company has the capability of producing several hundred thousand meals a day through thirteen flight kitchens and one hundred and six restaurants, self-service restaurants and fast food locations across the country.

In the high volume and marginal pricing business of in-flight catering, Cara's use of the computer in meal ordering and subsequent billing to airline customers allows a high degree of flexibility in meeting the control requirements of major customers.

For example, the computer gives us the capability of providing an airline customer with a weekly computer magnetic tape containing all details of meals and other services purchased by that customer during the particular week. This allows the airline to analyze those in-flight catering costs related to the Cara source of supply through its own computer.

A high degree of importance is placed by senior management on consistent and accurate reporting of operational and financial results for all profit centres within the company, which has led to a system of highly sophisticated profit and loss monthly reporting with comparisons to budget and last year, as well as variance percentages to budget and last year's results.

Through a same-day computer cash transfer system, we are able to bring in cash deposited at branch banks across the country, therefore allowing maximum use of company funds. In order to minimize handling of the 15,000 or so cheques issued every month, our bankers provide a monthly computer magnetic tape of paid items which is read and reconciled by the company computer.

Because of the speed of the computer, it has been found feasible, for instance, to identify the approximately 2,700 basic food ingredients the company



Cara's comptroller, Russ Knox, shares interest in console printout with Lorne Carey, Manager of Information Services.

purchases; monitor the month-to-month purchase prices paid for these ingredients; structure, in the form of a 'bill of material', all the quantities and net yield factors of the ingredients used in the various recipes and menus throughout the three food service divisions, and then run up-to-date menu costs as often as there are significant changes in ingredient costs.

A further refinement to this system is the ability to analyze the products actually sold and break this down into the quantities of raw ingredients that should have been consumed in the process. This potential usage list is further compared to the actual quantities used. The real strength and value of this system lies in the capability of up-dating costs of thousands of recipes with complete accuracy in a very short period of time, and as frequently as market conditions warrant.

Food and beverage inventories are counted monthly or more often when required at each operation and sent in to Data Processing on a special document which is used to produce an inventory report for each operation as well as a new turn-around document for next month. Inventory turnover statistics are calculated and reported for each branch highlighting those which are carrying too high or low an inventory.

Inventories of retail merchandise are classified by the computer into categories which have the same approximate mark up. Using opening and closing inventory counts plus merchandise purchased during the period, the computer calculates the sales revenue that ought to have been generated at each retail location, a very useful control tool when comparisons are made to actual sales figures.

The company's Data Processing Centre is managed by Lorne Carey, Manager of Information Services, under the general supervision of the Comptroller. A little imagination and a dash of innovation in the use of modern technology combine to create systems that provide accurate control and efficiencies that would have been thought unattainable ten years ago.



View of Data Entry department featuring contemporary CADE (computer assisted data entry) system.

Cara across the continent



- Airline Services Division
- Air Terminal Restaurant Division
- Retail Stores Division
- Urban Restaurant/Inn Division

VANCOUVER

International Airport:

- Flight Kitchen
- Restaurant and Lounge Concessions
- Roomettes
- Duty Free and Gift, News and Book Concessions
- Restaurant
- News and Gift Shop
- Cara Shop
- Duty Free Shop

Railway Station:

Pacific Centre:
Princess Marguerite
Ferry:

CALGARY

International Airport:

Calgary Market Mall:

Southcentre:

- Flight Kitchen
- Restaurant and Lounge Concessions
- Duty Free and News, Gift and Book Concessions
- 5 Restaurant, Lounge and Fast Food Units
- 1 Fast Food Unit

EDMONTON

International Airport:

- Flight Kitchen
- Restaurant and Lounge Concessions
- Duty Free and Gift, News and Book Concessions
- 4 Restaurant, Lounge and Fast Food Units
- Newsstand
- Cara Shop
- 1 Fast Food Unit
- 1 Fast Food Unit

CN Tower:

Edmonton Centre:

Southgate Shopping Centre:

Capilano Mall:

SASKATOON

Airport:

REGINA

Airport:

WINNIPEG

International Airport:

- Flight Kitchen
- Restaurant and Lounge Concessions
- Roomettes
- Duty Free and Gift, News and Book Concessions
- Restaurant
- Newsstand

Railway Station:

MILWAUKEE

General Mitchell Field:

KITCHENER

Fairview Park Mall:

TORONTO

International Airport:

Mississauga Square One:

Sherway Gardens:

- Flight Kitchen

- Cara Shop

- 2 Flight Kitchens
- Restaurant and Lounge Concessions –Terminals No.1 & 2
- Roomettes–Terminal No.1
- Rutherford's Drug Store–Terminal No.1
- Apparel Store–Terminal No.1
- 2 Rutherford's Drug Stores–Terminal No.2
- Cara Inn–210 Room Hotel, 2 Restaurants, 1 Lounge, 7 Meeting Rooms
- Cara Shop at Cara Inn
- Cara Shop
- 3 Restaurant, Lounge and Fast Food Units
- Cara Shop

Union Station:

CN Tower:

Commerce Court:

Downtown Toronto:

Royal York Hotel:

Sheraton Centre:

Inn on the Park:

Fairview Mall:

Scarborough Town Centre:
Shoppers' World:

OTTAWA

Airport:

Railway Station:

MONTREAL

Dorval Airport:

Mirabel International Airport:

Place Bonaventure:

Railway Station:

SAINT JOHN

Airport:

MONCTON

Airport:

Railway Station:

HALIFAX International Airport:

Railway Station:
Scotia Square:

SYDNEY

Airport:

NORTH SYDNEY
Ferry Terminal:

- 6 Restaurant, Lounge and Fast Food Units
- 2 Newsstands and Book and Card Shop

- Cara Shop, 2 Souvenir Shops and News-Gift Shop
- 7 Restaurant, Lounge and Fast Food Units

- Jewellery Kiosk and Souvenir Shop
- Bassel's Restaurant and Lounge
- Medical Arts Building – 1 Fast Food Unit

- Gift Shop, Cara Shop and Rutherford's Drug Store
- Cara Shop

- Cara Shop
- Cara Shop

- Cara Shop
- Cara Shop

- Cara Shop
- Cara Shop

- Duty Free and Gift, News and Book Concessions
- Newsstand and Cafeteria-Lounge

- Flight Kitchen
- Cafeteria

- Flight Kitchen
- Restaurant and Lounge Concessions
- 9 Restaurants, Lounge and Fast Food Units

- Restaurant
- Gift Shop, Newsstand-Snack Bar and Jewellery Kiosk

- Restaurant and Flight Kitchen

- Flight Kitchen
- Restaurant
- Newsstand-Snack Bar

- Flight Kitchen
- Restaurant and Lounge Concessions
- Gift Shop

- Newsstand-Snack Bar
- 6 Restaurant, Lounge and Fast Food Units

- Restaurant

- Newsstand-Snack Bar

Airline Services Division

A renewed emphasis on food service by a number of our major airline customers contributed greatly to an increase in sales in the last fiscal year. We also shared in the increased travel activity to Pacific destinations as well as in the strong holiday market, particularly to the Southern vacation destinations in the Caribbean and Florida. These increased sales coupled with improved productivity, thanks to an excellent effort by all our personnel, had a positive impact on our profit performance.

We also benefited during this year from our new flight kitchen building and expansion programs undertaken during the previous year, providing us with excellent facilities to accommodate the additional sales volume. Our new flight kitchen at the Mirabel International Airport was successfully opened early in December 1975. During the current fiscal year we will commence construction of a flight kitchen at the new Calgary International Airport site, for completion in October 1977. We will also expand our Vancouver flight kitchen to accommodate the increasing demand for our service there.

We anticipate that the positive trend experienced during 1975/76 will continue during this current year. The Olympic Games in Montreal will undoubtedly stimulate



A number of the customers serviced by the Cara flight kitchens in North America.

airline travel activity during the summer months, which will have a beneficial effect on our sales growth during that period.

Gunter Otto
Vice-President



"The Wharf"
Scotia Square, Halifax

Urban Restaurant/Inn Division

The year 1975/76 was both a challenging and a rewarding one. The very positive efforts of our personnel allowed us to improve productivity which in turn increased our operating margins. This was reflected in a substantially increased divisional profit over last year.

Marked improvement occurred in the Commerce Court restaurant complex which, through the now established reputation of our innovative Teller's Cage Theatre Restaurant, our flagship restaurant, Wellington's, and

the fast food facilities, is slowly starting to realize its anticipated potential.

The Cara Inn at Toronto International Airport continues to maintain its first class reputation and market position. Last year was a 'soft' hotel year for Toronto and this was mirrored in the slowing of the Cara Inn's sales growth and profit improvement. Sales barometers for the coming year, however, indicate an improved level of business.

Our major efforts for the division will continue to be directed towards further productivity improvement at existing facilities through better utilization of labour and a greater awareness of more efficient food and beverage merchandising.

The divisional expansion program will focus on the development of fast food units in existing restaurants or shopping centres. A cornerstone of this program will be a new Food Fair in Place Bonaventure with a scheduled opening date of July 1976.

Daniel D. Phelan
Vice-President

Retail Stores Division

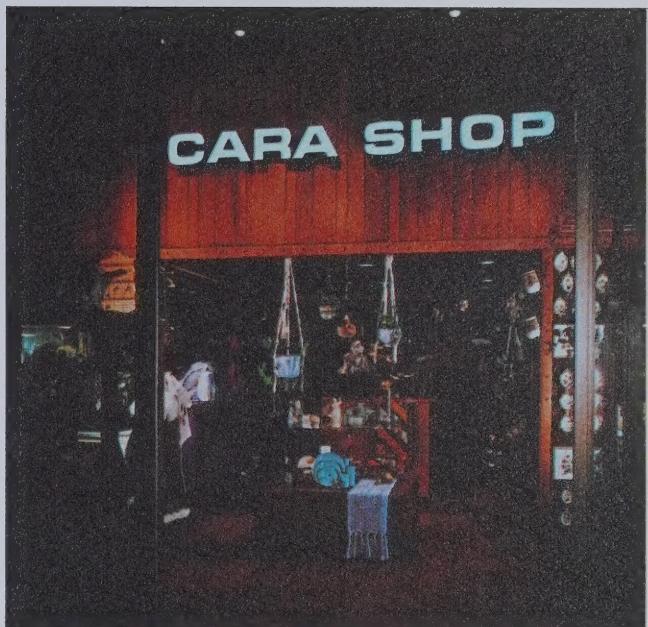
Our Company's long range diversification plans attained an early maturity with this Division's substantial growth in sales and profits in the last fiscal year. During this period, we opened three new Cara Shops in Pacific Centre, Vancouver, in Edmonton Centre and in Fairview Park Mall, Kitchener.

In the current year, we will continue to exploit viable growth opportunities. Expansion plans include four gift and souvenir shops in the new and prestigious CN Tower complex in Toronto and a new store in each of the two terminals at Toronto International Airport.

We plan to open our first gift and china shop at the Inn on the Park in Toronto and we have been successful in our negotiations for the operation of a duty free shop on the ferry, Princess Marguerite that operates in the summer between Victoria, B.C. and Seattle, Washington.

By the year end, we will have retail stores in eight urban shopping complexes, in four hotels, eight airports and nine railway stations.

Alan A. McIsaac
Vice-President



Cara Shop
Pacific Centre, Vancouver



Restaurant Le Mirabel
Mirabel International Airport, Montreal

Air Terminal Restaurant Division

Overcoming a marginal air passenger traffic growth of only 5%-6%, the Division, which included the new Mirabel concession, achieved a 21.1% growth in sales in the fiscal year ended March 31, 1976. Rising food costs and general expenses were to some extent offset by a year free of labour disruptions and the excellent performance of our employees and management.

The renovation and expansion programs of our facilities in Toronto air terminals have been completed. In Terminal 1, the coffee shop was converted to a self-serve restaurant, thereby increasing the seating capacity and substantially reducing labour costs. The licensed Garden Court annex

was enlarged and refurbished and now contributes an alternative service area as well as an increased seating capacity of 35%. In Terminal 2, renovations and refurbishing of a cocktail lounge and the staff cafeteria extended the seating capacity in each facility by 50% and 120% respectively.

The most significant undertaking, of course, was the opening of our food and beverage facilities at the new Montreal International Airport (Mirabel). These facilities, consisting of a first class restaurant, four bars, a self-service restaurant, coffee shop, two snack bars and the staff cafeteria, have been fully completed and initial sales volumes are satisfactory.

In Western Canada, the facilities at the Regina terminal were remodelled and a cocktail lounge was added. A restaurant and cocktail lounge were opened in the new Saskatoon terminal in late November 1975.

The new Calgary air terminal construction is progressing favourably and the opening of the food and beverage facilities there is planned for late 1977.

Conversion of the Vancouver terminal coffee shop to a self-serve restaurant that will increase its capacity by 45% is currently in progress and scheduled for completion by the fall of 1976.

Having completed the majority of our renovation programs, we are looking forward with confidence to the current fiscal year for a further improvement of both sales and profit.

Our objectives in the year ahead are to improve the efficiency of our new operations and work, as always, to maintain our high standards.

John T. Argyris
Vice-President

Consolidated Balance Sheet

March 31, 1976

ASSETS

	1976	1975
CURRENT ASSETS		
Cash and short-term investments	\$ 3,240,095	\$ 5,176,906
Accounts receivable — trade	5,336,032	4,195,428
— other	801,219	822,083
Inventories at the lower of cost or net realizable value	4,225,697	3,602,801
Prepaid expenses	280,774	228,969
	<u>13,883,817</u>	<u>14,026,187</u>
FIXED ASSETS (Note 2)		
Land	370,160	370,160
Buildings	7,391,916	5,097,915
Equipment	15,134,840	11,584,001
Leasehold improvements	6,691,935	5,357,115
Construction in progress	—	1,876,223
	<u>29,588,851</u>	<u>24,285,414</u>
Accumulated depreciation and amortization	<u>9,215,859</u>	<u>7,317,645</u>
	<u>20,372,992</u>	<u>16,967,769</u>
OTHER ASSETS (Note 3)		
	<u>986,872</u>	<u>1,072,011</u>
	<u>\$35,243,681</u>	<u>\$32,065,967</u>

Signed on behalf of the Board

Director

Director

LIABILITIES

	1976	1975
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 8,143,835	\$ 7,662,331
Income taxes	298,654	85,132
Current portion of long-term debt	<u>1,911,106</u>	<u>1,725,966</u>
	<u>10,353,595</u>	<u>9,473,429</u>
 LONG-TERM DEBT (Note 4)	 7,679,539	 7,790,653
 DEFERRED INCOME TAXES	 <u>2,283,400</u>	 <u>1,697,000</u>

SHAREHOLDERS' EQUITY

CAPITAL STOCK

Authorized —

3,000,000 common shares without par value

Issued and fully paid —

1,850,180 shares (Note 6)	4,356,913	4,353,872
 RETAINED EARNINGS	 10,570,234	 8,751,013
	<u>14,927,147</u>	<u>13,104,885</u>
	 <u>\$35,243,681</u>	 <u>\$32,065,967</u>

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of Cara Operations Limited as at March 31, 1976 and the consolidated statements of earnings, retained earnings and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at March 31, 1976 and the results of their operations and the changes in their financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, June 9, 1976
 July 14, 1976 with respect to Note 13.

COOPERS & LYBRAND
 Chartered Accountants

**Consolidated Statements
for the year ended March 31, 1976**

EARNINGS

	1976	1975
SALES.....	\$93,135,615	\$78,377,730
OPERATING AND ADMINISTRATIVE EXPENSES.....	<u>85,379,278</u>	<u>73,076,584</u>
EARNINGS BEFORE THE FOLLOWING ITEMS.....	<u>7,756,337</u>	<u>5,301,146</u>
INVESTMENT INCOME.....	<u>198,484</u>	<u>112,704</u>
	<u>7,954,821</u>	<u>5,413,850</u>
PROVISION FOR DEPRECIATION.....	2,116,473	1,722,712
INTEREST EXPENSE – CURRENT.....	52,775	118,272
– LONG-TERM.....	931,927	453,548
AMORTIZATION OF OTHER ASSETS.....	<u>124,713</u>	<u>124,714</u>
	<u>3,225,888</u>	<u>2,419,246</u>
EARNINGS BEFORE INCOME TAXES.....	4,728,933	2,994,604
PROVISION FOR INCOME TAXES.....	<u>2,170,000</u>	<u>1,524,000</u>
EARNINGS BEFORE EXTRAORDINARY ITEM.....	<u>2,558,933</u>	<u>1,470,604</u>
EXTRAORDINARY ITEM		
Reduction of income taxes on application of prior years' losses	—	150,000
NET EARNINGS FOR THE YEAR.....	<u>\$ 2,558,933</u>	<u>\$ 1,620,604</u>
 EARNINGS PER SHARE		
NET EARNINGS BEFORE EXTRAORDINARY ITEM.....	<u>\$ 1.38</u>	<u>\$.80</u>
NET EARNINGS FOR THE YEAR	<u>\$ 1.38</u>	<u>\$.88</u>

RETAINED EARNINGS

BALANCE – BEGINNING OF YEAR.....	\$ 8,751,013	\$ 7,685,093
Net Earnings for the year.....	<u>2,558,933</u>	<u>1,620,604</u>
	<u>11,309,946</u>	<u>9,305,697</u>
Dividends	<u>739,712</u>	<u>554,684</u>
BALANCE – END OF YEAR.....	<u>\$10,570,234</u>	<u>\$ 8,751,013</u>

CHANGES IN FINANCIAL POSITION

	1976	1975
FUNDS DERIVED FROM		
Operations:		
Net earnings for the year	\$ 2,558,933	\$ 1,620,604
Items not requiring an outlay of funds:		
Depreciation	2,116,473	1,722,712
Deferred income taxes	586,400	269,000
Amortization of other assets	124,713	124,714
Funds derived from operations	<u>5,386,519</u>	<u>3,737,030</u>
Long-term bank loans	1,800,000	7,000,000
Disposal of fixed assets	4,813	144,625
Stock options exercised.....	3,041	2,475
	<u>7,194,373</u>	<u>10,884,130</u>
FUNDS USED FOR		
Purchase of fixed assets.....	5,526,477	5,977,459
Reduction of long-term debt.....	1,911,114	1,715,762
Dividends	739,712	554,684
Other assets.....	32,231	139,293
Miscellaneous	7,375	111,564
	<u>8,216,909</u>	<u>8,498,762</u>
INCREASE (DECREASE) IN WORKING CAPITAL	(1,022,536)	2,385,368
WORKING CAPITAL – BEGINNING OF YEAR	<u>4,552,758</u>	<u>2,167,390</u>
WORKING CAPITAL – END OF YEAR	<u>\$ 3,530,222</u>	<u>\$ 4,552,758</u>
Current Assets.....	\$13,883,817	\$14,026,187
Current Liabilities	10,353,595	9,473,429
Working Capital	<u>\$ 3,530,222</u>	<u>\$ 4,552,758</u>

Notes to Consolidated Financial Statements for the year ended March 31, 1976

1. Summary of Accounting Policies

(a) Principles of consolidation

The consolidated financial statements include the accounts of the Company and all its subsidiaries.

(b) Translation of foreign currencies

Assets, liabilities, revenues and expenses in United States dollars have been converted into Canadian dollars at the prevailing year end rate of exchange.

(c) Depreciation and amortization

Buildings – Straight line method, over the estimated useful life, generally 20 years, or over the term of the land lease.

Equipment – Straight line method, over the estimated useful life, generally 10 years. China, dishes, cutlery, silverware and linen are capitalized at inception and written off over a two year period, straight line. Subsequent replacements are written off when incurred.

Leasehold Improvements—Straight line method, calculated on the lesser of:

- (i) the term of the lease plus one renewal, if any,
or
 - (ii) the estimated useful life of the improvements.

(d) Amortization of Milwaukee no competition covenant

The no competition covenant is being amortized over the three remaining years of the agreement. The amount charged in 1975 and 1976 was \$110,000.

(e) Amortization of Excess of cost of Investment over Equity in Business Acquired

The Company amortizes the purchase price excess on a straight line basis over 25 years. The amount charged in 1975 and 1976 was \$14,713.

2. Fixed Assets

Fixed Assets
These are classified as follows:

	1976			1975
	Accumulated Depreciation and Amortization			
	Cost	Amortization	Net	Net
Land	\$ 370,160	\$ —	\$ 370,160	\$ 370,160
Buildings	7,391,916	1,158,355	6,233,561	4,266,401
Equipment	15,134,840	6,287,683	8,847,157	6,586,658
Leasehold Improvements	6,691,935	1,769,821	4,922,114	3,868,327
Construction in progress	—	—	—	1,876,223
	<u>\$ 29,588,851</u>	<u>\$ 9,215,859</u>	<u>\$ 20,372,992</u>	<u>\$ 16,967,769</u>

The above amounts include fully depreciated assets which are still in use. Planned expenditures on fixed assets for the year ending March 31, 1977 amount to approximately \$2,500,000.

3. Other Assets

Milwaukee no competition covenant — at cost less amounts written off (Note 1d). .	\$ 275,000	\$ 385,000
Excess of cost of investment over equity in business acquired — at cost less amounts written off (Note 1e)	333,052	\$ 347,765
Equity in corporate joint venture	66,292	89,388
Due from affiliated companies	35,334	35,334
Deferred charges and other items	277,194	214,524
	\$ 986,872	\$ 1,072,011

4. Long-Term Debt

Bank loans, of which \$9,021,660 is secured by book debts and a first floating charge on the assets of the companies, at interest rates of 1 3/4% over prime on \$4,341,660 and 1 1/4%—1 1/2% over prime on the remainder. These loans are scheduled for repayment as follows:

dated for repayment as follows:

1977 \$ 1,798,000	1978 \$ 1,598,000	1979 \$ 1,178,000
1980 \$ 1,118,000	1981 \$ 818,000	1982-1987 \$ 458,000 per year.

Other mortgages, notes and financing contracts at varying interest rates, maturing by 1981

1976	1975
\$ 9,261,660	\$ 9,000,000
<hr/> 328,985	<hr/> 516,619
9,590,645	9,516,619
1,911,106	1,725,966
<hr/> \$ 7,679,539	<hr/> \$ 7,790,653

5. Commitments and Contingent Liabilities

(a) Long-term leases

Minimum rentals, excluding rentals based on sales, under lease agreements or letters of intent with original terms of five years or more, aggregate approximately:

1977-1981	\$14,284,000
1982-1986	10,183,000
1987-1991	8,619,000
1992-1996	2,666,000
1997 and subsequent	2,087,000

Rentals under all leases for premises for the year ended March 31, 1976 amounted to \$7,930,241 (1975-\$6,673,970).

(b) The Company has guaranteed a \$175,000 bank loan to a corporate joint venture in which it has a 50% interest.

6. Stock Option Plan

33,050 unissued common shares are reserved for allotment under the Company's stock option plan and options on 22,850 of these shares were outstanding at March 31, 1976, as follows:

Number of Shares	Option Price per Share	Expiry Date
800	\$ 4.50	December 31, 1977
3,000	4.85	February 22, 1977
700	4.95	December 31, 1977
10,350	4.95	June 4, 1979
8,000	3.38	June 17, 1980
<u>22,850</u>		

During the year outstanding stock options on 8,900 shares were cancelled with the consent of the holders and replaced with new options at \$3.38 per share, of which 900 were exercised for a total of \$3,041. The expiry date with respect to two stock option contracts was extended to expire on December 31, 1977.

7. Directors' and Officers' Remuneration

The aggregate direct remuneration paid or payable to the directors and senior officers as defined by The Business Corporations Act (Ontario) was \$508,700 for the year ended March 31, 1976 (1975-\$451,838).

8. Pension Plan

During the year the Company made a further revision to its pension plan and the change has increased the unfunded liability for past service costs to \$982,990 as at January 1, 1976.

The vested portion of the unfunded liability amounts to \$894,078. The unfunded liability will be paid over the next 9 years by annual installments of \$114,870 and over a further 5 years by annual installments of \$36,046. These amounts will be charged to earnings as paid. Current service pension costs have been provided for in accordance with actuarial determinations.

9. Income Taxes

A subsidiary company has losses carried forward for income tax purposes of \$450,000, expiring in 1980 and 1981.

10. Classes of Business

In the opinion of the directors, the Company carried on two classes of business during the year, the amount of sales or revenues of which formed the undernoted proportions of consolidated sales.

	1976	%	1975	%
Food, beverage and hotel	\$76,184,627	82	\$64,249,359	82
Retail stores	<u>16,950,988</u>	<u>18</u>	<u>14,128,371</u>	<u>18</u>
	<u>\$93,135,615</u>	<u>100</u>	<u>\$78,377,730</u>	<u>100</u>

11. Anti-Inflation Act

The Company is subject to restraint on profit margins, prices, dividends and compensation under the terms of the Anti-Inflation Act and Regulations which became effective October 14, 1975. The Company's application to the Anti-Inflation Board to recognize an annual dividend rate of 40¢ per share has been declined and consequently, for the twelve month period ending October 13, 1976, the Company's dividends may not exceed 30¢ per share.

12. Comparative Figures

Certain 1975 figures have been reclassified for comparative purposes.

13. Subsequent Events

(a) As at July 14, 1976, the Company has acquired 866,398 shares (97.3%) of Winco Steak N' Burger Restaurants Limited (Winco) for \$4,641,438 cash and \$3,094,245 in 10% promissory notes due April 30, 1982. Principal repayments on the notes will be based on a formula related to the earnings of Winco during the period the notes are outstanding. The Company has extended to September 15, 1976 the time for acceptance of its offer to purchase the remaining shares outstanding at \$7.50 per share. The Company will account for the transaction from June 12, 1976 using the purchase method.

(b) The Company has agreed to purchase in July 1976 50.1% of the outstanding shares of Vaunclair Purveyors Company Limited (Vaunclair) for \$435,870 cash. The Company has the right to purchase and may be required to purchase, following the payment of the 10% notes referred to in (a) above, the remaining shares of Vaunclair for a cash price based on a formula related to earnings, which price may not be less than \$714,130 or greater than \$1,214,130. The Company will account for the transaction from July 13, 1976 using the purchase method.

(c) The cash portion of the above acquisitions has been financed by a bank loan with no principal repayments until 1981.

(d) On June 30, 1976, a licence agreement was concluded with Foodcorp Limited under which the Company has a 75% interest, and a third party has a 25% interest, in the development of Swiss Chalet restaurants in the four western provinces and the State of Washington, U.S.A.

Cara Operations Limited

Ten Year Financial History
Year Ended March 31

	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967
SALES	\$ 93,135,615	\$ 78,377,730	\$ 70,500,022	\$ 56,295,513	\$ 48,190,972	\$ 44,220,933	\$ 38,154,961	\$ 32,210,064	\$ 32,702,139	\$ 25,635,492
% increase or (decrease) for the year	18.8%	11.2%	25.2%	16.8%	9.0%	15.9%	18.5%	(1.5%)	27.6%	18.6%
EARNINGS BEFORE INCOME TAXES	\$ 4,728,933	*\$ 3,144,604	\$ 4,140,605	\$ 3,058,557	\$ 1,310,111	\$ 1,727,396	\$ 1,691,776	\$ 1,236,937	\$ 2,223,850	\$ 1,349,209
% of Sales	5.1%	4.0%	5.9%	5.4%	2.7%	3.9%	4.4%	3.8%	6.8%	5.3%
INCOME TAXES	\$ 2,170,000	\$ 1,524,000	\$ 2,100,000	\$ 1,480,000	\$ 640,000	\$ 915,000	\$ 890,000	\$ 626,856	\$ 1,144,519	\$ 673,800
NET EARNINGS	\$ 2,558,933	*\$ 1,620,604	\$ 2,040,605	\$ 1,578,557	\$ 670,111	\$ 812,396	\$ 801,776	\$ 610,081	\$ 1,079,331	\$ 675,409
% of Sales	2.7%	2.1%	2.9%	2.8%	1.4%	1.8%	2.1%	1.9%	3.3%	2.6%
Per Share	\$ 1.38	\$.88	\$ 1.10	\$.85	\$.36	\$.44	\$.44	\$.35	\$.72	\$.46
Weighted average of shares outstanding, adjusted for stock splits										
	1,849,410	1,848,907	1,848,285	1,838,672	1,835,769	1,833,378	1,833,230	1,676,929	1,483,230	1,483,230

*1975 Earnings include Extraordinary Item of \$150,000.
**1975 Weighted average of shares outstanding, adjusted for stock splits.

Cara Operations Limited

Sommaire comparatif de dix ans Exercice terminé le 31 mars

	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
VENTES										
% d'augmentation (ou de diminution) pour l'exercice	93 135 615	78 377 730	70 500 022	56 295 513	48 190 972	44 220 933	38 154 961	32 210 064	32 702 139	25 635 492
BÉNÉFICES POUR L'EXERCICE AVANT LES IMPÔTS SUR LE REVENU	18,8%	11,2%	25,2%	16,8%	9,0%	15,9%	18,5%	(1,5%)	27,5%	18,6%
par dollar de ventes	4 728 933	*3 144 604	4 140 605	3 058 557	1 310 111	1 727 396	1 691 776	1 236 937	2 223 850	1 349 209
IMPÔTS SUR LE REVENU	5,1%	4,0%	5,9%	5,4%	2,7%	3,9%	4,4%	3,8%	6,8%	5,3%
BÉNÉFICE NET	2 170 000	1 524 000	2 100 000	1 480 000	640 000	915 000	890 000	626 856	1 144 519	673 800
par dollar de ventes	2,7%	2,1%	2,9%	2,8%	1,4%	1,8%	2,1%	1,9%	3,3%	2,6%
par action	\$1,38	\$0,88	\$1,10	\$0,85	\$0,36	\$0,44	\$0,44	\$0,35	\$0,72	\$0,46
Moyenne pondérée des actions en circulation, redressée pour tenir compte du fractionnement d'actions	1 849 410	1 848 907	1 848 285	1 838 672	1 835 769	1 833 378	1 833 230	1 676 929	1 483 230	1 483 230
*Comprend le poste exceptionnel de \$150 000.										

L'ÉVOLUTION DE LA SITUATION FINANCIÈRE

	PROVENANCE DES FONDS	EXPLOITATION:	AFFECTATION DES FONDS
1976	1975		
Bénéfice net pour l'exercice	\$ 2 558 933		
Amortissement	2 116 473		
Impôts sur le revenu reportés	586 400		
269 000			
1 722 712			
Amortissement des autres éléments d'actif	124 713		
Fonds provenant de l'exploitation	5 386 519		
7 000 000			
Vente d'immobilisations	1 800 000		
Emprunts bancaires à long terme	7 377 030		
1 715 762			
Diminution de la dette à long terme	1 911 114		
Achat d'immobilisations	\$ 5 264 777		
Dividendes	1 715 762		
Autres éléments d'actif	739 712		
139 684			
111 564			
Divers	7 375		
8 216 909			
AUGMENTATION (DIMINUTION) DU FONDS DE ROULEMENT	(1 022 536)		
2 385 368			
2 167 390			
FONDS DE ROULEMENT À LA FIN DE L'EXERCICE	4 552 758		
14 026 187			
10 353 595			
9 473 429			
Passeif à court terme	13 883 817		
Actif à court terme	\$ 4 552 758		
Fonds de roulement	\$ 3 530 222		
4 552 758			

SOLDE AU DÉBUT DE L'EXERCICE	\$ 7 685 093	
Bénéfice net pour l'exercice	2 558 933	
Dépenses	1 620 604	
SOLDE À LA FIN DE L'EXERCICE	\$ 8 751 013	
Dividendes	554 684	
	11 309 946	
	739 712	
	\$ 10 570 234	

BÉNÉFICES NON RÉPARTIS

150 000	Réduction des impôts sur le revenu provenant du report des pertes d'exercices précédents
	BÉNÉFICE NET POUR L'EXERCICE
\$ 1 620 604	
	BÉNÉFICE PAR ACTION
	\$ 0,80
	BÉNÉFICE NET AVANT LE POSTE EXCEPTIONNEL
	\$ 1,38
	BÉNÉFICE NET POUR L'EXERCICE
	\$ 0,88

BÉNÉFICES

Etats consolidés pour l'exercice terminé le 31 mars 1976

le 14 juillet 1976 en ce qui concerne la note 13
Toronto, le 9 juin 1976

COMPAGNIES AGREGÉES
COOPERS & LYBRAND

A notre avis, ces états financiers consolidés présentent fidèlement la situation financière pour l'exercice terminé à cette date, conformément aux principes comptables généralement reconnus, applicables de la même manière qu'au cours de l'exercice précédent.
A leurs opérations ainsi que les variations de leur situation financière pour l'exercice des compagnies au 31 mars 1976 et les résultats générés, exceptées celles résultant de la situation financière pour l'exercice terminé à cette date. Notre examen a comporté une revue générale des procédés comptables et les sondages des livres, pièces et autres documents à l'appui que nous avons jugés nécessaires dans nos avions, examiné le bilan consolidé de Cara Operations Limited au 31 mars 1976 et les états consolidés des bénéfices, des bénéfices non répartis et de l'évolution financière pour l'exercice terminé à cette date. Notre examen a comporté une revue générale des procédés comptables et les sondages des livres, pièces et autres documents à l'appui que nous avons jugés nécessaires dans nos circonstances.

RAPPORT DES VERIFICATEURS AUX ACTIONNAIRES

1850 180 actions (Note 6)	\$ 4 356 913
8751 013	10 570 234
13 104 885	14 927 147
\$32 065 967	\$35 243 681

Emis et entièrement payé:
3 000 000 d'actions ordinaires sans valeur nominale

Autorisé:

CAPITAL-ACTIONS

AVOIR DES ACTIONNAIRES

Comptes à payer et dettes courantes	\$ 7 662 331
Impôts sur le revenu	85 132
Partie de la dette à long terme exigible à court terme	1 725 966
Impôts sur le revenu	1 911 106
Partie de la dette à long terme exigible à court terme	10 353 595
DETTE A LONG TERME (Note 4)	7 790 653
IMPOSTS SUR LE REVENU REPORTÉS	2 283 400
	1 697 000

PASSIF A COURT TERME

1975 1976

PASSIF

Bilan consolidé

au 31 mars 1976

Cara Operations Limited

ACTIF

ACTIF À COURT TERME

Encaisse et placements à court terme	\$ 5 176 906	4 195 428	822 083	801 219	4 225 697	3 602 801	280 774	Frais payés d'avance	Stocks, au moindre du prix coûtant et de la valeur nette probable de réalisation	Batiments	Outillage	Améliorations locatives	Construction en cours	Amortissement accumulé	AUTRES ÉLÉMENTS D'ACTIF (Note 3)	\$ 32 065 967
Comptes à recevoir — clients	\$ 3 240 095	5 336 032	801 219	801 219	4 225 697	3 602 801	280 774	— autres	—	—	—	—	—	—	IMMOBILISATIONS (Note 2)	
Terains	370 160	7 391 916	7 391 916	7 391 916	15 134 840	6 691 935	1 876 223	29 588 851	24 285 414	7 317 645	16 967 769	9 215 859	20 372 992	986 872	1 072 011	
Bâtiments	5 097 915	11 584 001	11 584 001	11 584 001	15 134 840	6 691 935	1 876 223	—	—	—	—	—	—	—		
Outillage	1 876 223	5 357 115	5 357 115	5 357 115	6 691 935	986 872	1 072 011	20 372 992	9 215 859	7 317 645	16 967 769	986 872	20 372 992	1 072 011		

IMMOBILISATIONS (Note 2)

Terains	370 160	7 391 916	7 391 916	7 391 916	15 134 840	6 691 935	1 876 223	29 588 851	24 285 414	7 317 645	16 967 769	9 215 859	20 372 992	986 872	1 072 011	AUTRES ÉLÉMENTS D'ACTIF (Note 3)	\$ 35 243 681
Bâtiments	5 097 915	11 584 001	11 584 001	11 584 001	15 134 840	6 691 935	1 876 223	—	—	—	—	—	—	—			
Outillage	1 876 223	5 357 115	5 357 115	5 357 115	6 691 935	986 872	1 072 011	20 372 992	9 215 859	7 317 645	16 967 769	986 872	20 372 992	986 872	1 072 011		
Amortissement accumulé	7 317 645	16 967 769	16 967 769	16 967 769	9 215 859	20 372 992	986 872	—	—	—	—	—	—	—			

Sigle au nom du conseil d'administration,
Signature de l'administrateur

T. J. Carr. - C. R. Carr

Un administrateur

John T. Argyris
Le vice-président,

comme toujours de maintenir nos normes élevées de qualité.
L'efficacité de nos nouvelles exploitations est à nous effrayer
Nos objectifs pour l'année qui vient consistent à améliorer
nos programmes de rénovation étant très-

comptant que les événements et bénéfices vont continuer leur
mines, nous considérons avec confiance l'exercice actuel,
La majorité de nos programmes de rénovation étant très-

devenant être terminés à l'automne 1976.
45% le nombre de clients qui peuvent recevoir; les travaux
menent le café en restaurant libre-service, augmentant ainsi de
A l'aéroport de Vancouver, nous transformons actuelle-

La construction de la nouvelle aérogare de Calgary est en
bonne voie et on projette d'y ouvrir des installations de
restaurant vers la fin de 1977.

Dans l'Ouest du Canada, nos aménagements à l'aéroport de
Reigna ont été renovés et on y ajoute un bar. A la fin de
novembre 1975, nous avons ouvert un restaurant et un bar
au nouvel aéroport de Saskatoon.

Naturellement, l'ouverture de nos installations de restaura-
tion à Mirabel, le nouvel aéroport international de Montréal,
a été notre projet d'envergure de l'année. L'installation
comprend un restaurant libre-service, un café, deux comptoirs cassé-
restaurant et la cafétéria du personnel, le tout est complété-
ment terminé et les premiers chiffres d'affaires sont
satisfaisants.

La précédente, A l'aérogare no 2, la rénovation du salon-bar
autre installation ouverte aux clients de 35% plus vaste que
la précédente. A l'aérogare no 2, la rénovation du salon-bar
répond à 50% et 120% de plus de clients qu'au pré-
séventement.

Court l'licence a été agrandie et remis à neuf et constitue une
manière substantielle le coût de la main-d'œuvre. Le Gardien
service. On ainsi gagne de la place tout en restaurant de
tallations dans les aéroports de Toronto sont terminés. A
les programmes de rénovation et d'expansion de nos ins-

de nos employés et de la direction.
frais générux à être plus ou moins compensée par l'absence
de conflits du travail et par les performances remarquables
des passagers aériens. La hausse du prix des aliments et des
largement l'accroissement minime de 5 à 6% du nombre

au cours de l'exercice clos le 31 mars 1976, dépassant
Mirabel, accusé une augmentation de 21,1% des ventes
la division, qui comprend la nouvelle concession de

Divisions des restaurants d'aérogare

Aéroport international de Mirabel, Montréal



Alan A. McIsaac
Le vice-président,

huit aéroports et neuf gares.
huit centres commerciaux urbains, dans quatre hôtels,
A la fin de l'année, nous aurons des magasins de détail dans

Washington. Marquette qui relie, Ft. Victoria, C.-B. et Seattle,
de nos boutiques en franchise sur le marché Prince-
Park de Toronto et nous avons réussi à faire accepter une
Nous avons l'intention d'ouvrir notre première boutique
de cadeaux et d'objets en porcelaine à l'hôtel Inn on the
de cadeaux et d'objets en porcelaine à l'hôtel Inn on the
Tour CN de Toronto, en plus d'une nouvelle boutique dans
chaque des deux aéroports de l'aéroport international de
de souvenirs dans le nouveau et prestigieux complexe de la
d'expansion comprend une autre boutique de cadeaux et
toutes les occasions de croissance viables. Les projets
Pendant l'exercice actuel, nous continuons à exploiter
Car au Pacific Centre de Vancouver à Edmonton Centre
et à la Galerie marchande Fairview Park de Kitchener.
pendant cette période, nous avons ouvert trois nouvelles boutiques
à croisière sont parvenues à une maturité proche grâce à
la croisière subsistiale des ventes des bénéfices de
cette division lors du dernier exercice. Pendant cette
période, nous avons ouvert trois nouvelles boutiques

Les programmes de diversification à long terme de notre
Comptagnie sont parvenues à une maturité proche grâce à
la croisière subsistiale des ventes des bénéfices de
cette division lors du dernier exercice. Pendant cette
période, nous avons ouvert trois nouvelles boutiques

Divisions de magasins de détail



Daniel D. Phelan
Le vice-président

Le programme d'expansion des divisions sera centre de la création de comptoirs à service rapide dans les restaurants déjà établis et dans les centres commerciaux. L'ouverture de plusieurs établissements dans les nouveaux Food Fair à la Place Beauvau contribue à l'élargissement du programme.

La majorité des efforts que nous consacrons à la division commerciale visent à améliorer le rendement des installations déjà en exploitation. Les efforts extrêmes font maintenir les restaurants à une meilleure utilisation de la main-d'œuvre et à une commercialisation plus avérée et plus efficace de la restauration.

Le Cara Inn de l'aéroport international de Toronto continue à maintenir sa réputation de première classe et sa position sur le marché. L'année dernière fut une année assez plate pour Toronto, où le rebondissement de la croissance des ventes et des bénéfices de Cara Inn. Les indices des ventes et affaires.

Nouveau dont la réputation est maintenant établie, notre restaurant de grande classe le Wellington et aux comptoirs à service rapide.

Les restaurants de Commerce Court font maintenir la qualité de bonne tenue. Le complexe commercial à réaliser son potentiel grâce au restaurant-théâtre Tellex's Cage d'un style tout à fait original par rapport à l'ancien dénominé.

Le succès des divisions ont donc connu une augmentation subtile, ce qui a favorisé nos marges d'exploitation. Les bénéfices de notre personnel nous permettent la production de nombreux efforts difficiles mais nous donne à l'annexe 1975/76 une satisfaction de saison des résultats valables.

Division des restaurants urbains et hôteliers

Scotia Square, Halifax
"The Wharf"



Gunter Otto
Le vice-président

Montréal voulait sans aucun doute stimuler les voyages aériens pendant la saison estivale, ce qui encouragera l'augmentation de nos ventes pendant cette période.

Certains des clients desservis par les cuisines de vol Cara en Amérique du Nord.



Cette année, nous avons également tiré profit de notre nouvelle cuisine de vol et des programmes d'expansion des aéroports internationaux de Mirabel à succès. La construction d'une cuisine de vol au nouveau bâtiment a été terminée en octobre 1977. Nous allons également agrandir notre cuisine de vol de cours de l'exercice actuel et se terminer en octobre 1977. Nous avons également repoussé à la fin de l'automne 1977, l'ouverture de Mirabel à nouveau pour répondre à l'accroissement de demande. Nous nous attendons à ce que les tendances favorables qui se sont manifestées en 1975/76 se poursuivent pendant l'exercice en cours. De plus, les jeux Olympiques qui

se déroulent à Montréal en juillet devraient nous aider à atteindre nos objectifs. Nous avons également accéléré la construction du nouveau bâtiment à Pan Am afin de faire face à la hausse des ventes. Au début de décembre dernier, l'ouverture de notre aéroport international de Mirabel a été un succès. La construction d'une cuisine de vol au nouveau bâtiment a été terminée en octobre 1977. Nous avons également repoussé à la fin de l'automne 1977, l'ouverture de Mirabel à nouveau pour répondre à l'accroissement de demande. Nous nous attendons à ce que les tendances favorables qui se sont manifestées en 1975/76 se poursuivent pendant l'exercice en cours. De plus, les jeux Olympiques qui

Division des services aériens

Cara à travers le continent



Du nouveau du côté de l'information

Compagnie achète; survellier le prix d'achat payé pour ces ingrédients chaque mois; analyser sous une forme détaillée toutes les quantités et les facteurs de rendement net des ingrédients utilisés dans les recettes et les menus variés des trois divisions de restauration, et enfin calculer les couts révisés des menus chaque fois que l'on enregistre des changements importants dans le coût des ingrédients. Une autre finesse de ce système consiste à analyser par exemple les repas mis en vente et à calculer ensuite la quantité d'ingrédients bruts que cela devrait représenter. Cette liste hypothétique est alors comparée à la quantité réelle des ingrédients utilisés. Ce système est particulièrement intéressant pour un document spécial utilisé pour le rapport des données sur le centre de restauration et pour le rapport des stocks de chaque centre et pour le rapport des stocks sur le mois suivant. Les statistiques de rotation des stocks sont calculées et font l'objet d'un rapport pour chaque succursale indiquant celles dont les stocks sont trop importants ou insuffisants.

L'ordinaire classé les stocks de marchandises de détail par catégories de marge bénéficiaire. A partir des compétences d'ouverture et à la clôture de l'inventaire et des marchandises achetées entre les deux, l'ordonnateur calcule les recettes que les ventes auraient du atteindre à chaque point de vente au détail, ce qui est un instrument de contrôle très utile quand on les compare au véritable chiffre d'affaires.

Le centre de traitement des données de la Compagnie est sous la supervision générale du contrôleur. Il suffit d'un peu d'imagination et d'un rien d'esprit créatif pour tirer parti au maximum de la technologie moderne et créer des systèmes qui permettent un contrôle étendu et précis d'une précision qui au maximum de la compagnie.



La direction exige que les résultats d'exploitation et financiers de toutes les sources de bénéfices de la Com-
pagnie fassent l'objet de rapports précis et logiques. On a donc mis au point un système de rapport mensuel des profits et pertes très élaboré comparant des comparaisons avec le budget et les résultats de l'année précédente.

Grâce à un système de transfert d'argent complet par ordinateur en un seul jour, nous pouvons renvoyer l'argement dans des succursales bancaires de tout le pays, ce qui permet l'utilisation maximale des fonds de la Compagnie. Afin de réduire au minimum la paperasse nos banquiers fourniscent chaque mois une bande magnétique d'ordinateur pour les factures acquittées, laquelle est lue par l'ordinateur de la Compagnie qui procède à la conciliation des comptes.

Grâce à la rapidité de l'ordinateur, on a pu par exemple identifier les 2 700 produits alimentaires de base que la

Faits saillants financiers

Ventes	\$93 135 615	\$78 377 730
Bénéfice net	2 558 933	1 620 604*
En % des ventes	2,7%	2,1%
par action	1,38	0,88*
Autofinancement	5 386 519	3 737 030
Autofinancement par action	2,91	2,02
Dividende par action	0,40	0,30
Fonds de roulement	3 530 222	4 552 758
Rapport du fonds de roulement	1,34:1	1,48:1
Nouvelles immobilisations	5 526 477	5 977 459
Total de l'actif	35 243 681	32 065 967
Dette à long terme	7 679 539	7 790 653
Valeur nette	14 927 147	13 104 885
Valeur comparable par action	8,07	7,09
* Comprend le poste exceptionnel de \$150 000, soit 0,08 par action.		

Administrateurs et dirigeants

Gunter Otto, Vice-président, Division des services aériens	John G. Weir
Daniel D. Phelan, Vice-président, Division hôtelière et des restaurants urbains	R. E. Phelan
John T. Argyris, Vice-président, Division des restaurants d'aéroport	Paul McLoughlin
Alain A. McLisac, Vice-président, Division des magasins de détail	Lawrence Hynes
Vincent C. Kennedy, Directeur des ventes et de la commercialisation	John G. Weir
Walter G. Fraser, Secrétaire-trésorier	Dévision des services aériens
S. Russell Knox, Controleur	Vérificateurs
55 York Street, Toronto, Ontario M5J 1S5	Siège social
Compagnie Trust Royal	Agent de transfert
Toronto, Montréal, Winnipeg, Vancouver	
Coopers & Lybrand, Toronto, Ontario	

cice actuel pour nos exploitations en cours ne devraitient

Les dépenses en immobilisations au cours de l'exerc-

aux aérogares de Toronto, Regina et Saskatoon.

installations nouvelles ou améliorées de restaurants

adjonction à la cuisine de vol d'Edmonton et des

en concession et la cuisine de vol à Mirabel, une

et comprendrait le nouveau complexe de restaurants

immobilisations s'est élevée à \$5,5 millions environ

précédemment. Le total des dépenses en

les principaux projets envisagés et annoncés

A la clôture de l'exercice, nous avions terminé

CROISSANCE

les bénéfices consolidés.

mois de l'exercice, elle n'a guère influence

n'a pas été rentable au cours des six dernières

Bien que la nouvelle exploitation de Mirabel

affichée par les provinces de l'Ouest.

Toronto et la reprise économique soutenue

venue à Montréal et le Commerce Court à

restaurants urbains, tels que la Place Bonna-

progrès réalisés par les grands ensembles de

méliorant taux de remplissage des avions, les

aériennes dont nous sommes fournisseurs, le

bord par un certain nombre de compagnies

l'amélioration de la qualité des repas servis à

ment contribue aux résultats généraux tels que

conviennent de noter certains facteurs qui ont forte-

productivité qui en a résulte. En particulier, il

dure de l'exercice ainsi qu'à l'augmentation de la

des services de la Compagnie pendant toute la

à la forte demande qui caractérise la plupart

La hausse des bénéfices a été due en grande partie

être de \$2 558 933, soit \$1,38 par action.

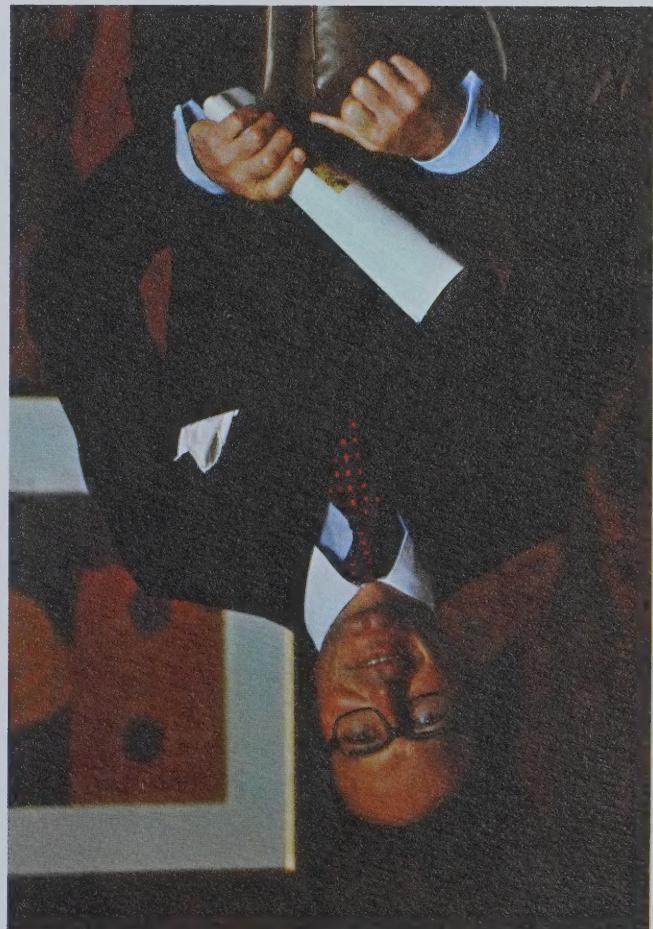
soit une augmentation de 18,8% et le bénéfice a

venues ont augmenté et atteint \$93 135 615,

Au cours de l'exercice clos le 31 mars 1976, les

RÉSULTATS DE L'EXERCICE

Rapport aux actionnaires

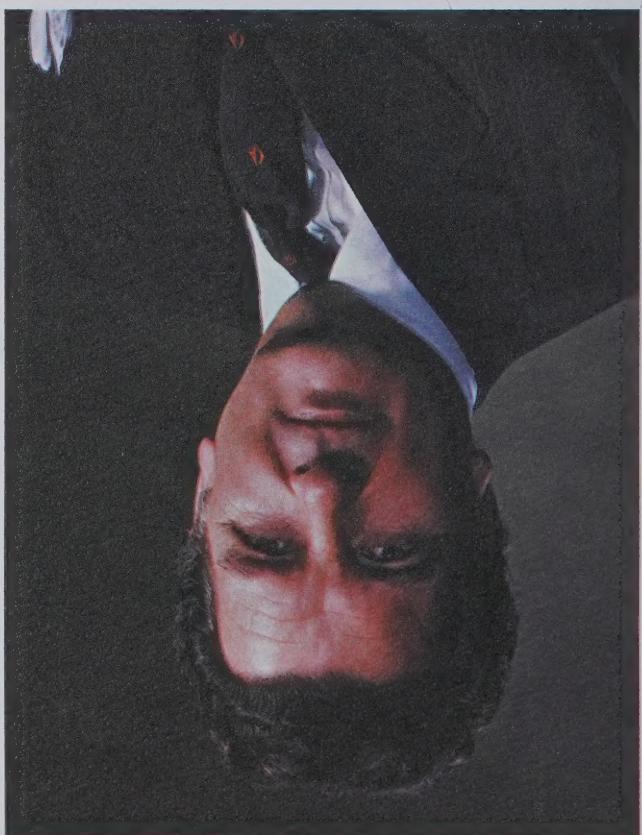


Message du président du conseil

Dans notre quatre-vingt-
treizième année d'exploita-
tion, nous avons continué
de réaliser des progrès dans
les quatre divisions de la
Compagnie. Notre chiffre
d'affaires va bientôt franchir
le cap des cent millions de
dollars.

Notre rétrospective financière
des dix dernières exercices, qui
présent rapport, indique une
croissance régulière. Notre
bénéfice brut témoigne de
notre dynamisme. Notre
bénéfice net a atteint de nou-
veaux records au cours de
l'exercice écoulé.

Le soutien continu et loyal
de tous les membres de notre
équipe est rassurant quant à
l'avenir.



Le 31 juillet 1976

Le président du conseil

François Pilon

Le couvert : La Terrasse, un restaurant libre-service
à l'aéroport Mirabel de Montréal.



Rapport Annuel 1976

